

April 1, 2011

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: CC-Docket 02-6

Dear Ms. Dortch:

The Arkansas Department of Information Systems (DIS) provides State E-rate assistance to public K-12 entities and libraries as well as training and disseminating E-rate assistance and guidance. DIS is also responsible for submitting the State's E-rate application for Internet connectivity.

DIS concurs with questions being raised by the Education & Libraries Networks Coalition. The Arkansas K-12 entities and libraries have additional questions on recent guidance provided by the U.S. Office of Government Ethics in regard to the Federal Gifting Rules. Specifically, the questions relate to widely-attended events, and the request that the FCC more narrowly define the Federal Gift Rule coverage.

The following responses to proposed scenarios are provided for clarification purposes. Agency, school and library personnel attend conferences throughout the year, which provide occasion for candid exchanges of information unique to a casual environment and valuable continuing educational opportunities. During conferences, for example, there are various functions that are attended:

Scenario I – Service providers from various companies invite attendees to a dinner as a group. The exact amount per agency personnel of the total cost of attending is unknown.

- a. If each provider spends \$20 per person, the presumption is that this is acceptable under the Federal Gifting Rules.

Solution: This is allowable under the Federal Gifting Rules

- b. If each provider spends more than \$20 per person, this is unacceptable under the Federal Gifting Rule.

Solution: Allowing the attendees to pay the difference in cost is consistent with the FCC's clarification.

- c. If the total cost is unknown, it is unclear as to which party is responsible for ensuring that requirements are met under Federal Gifting Rules.

Solution: Providers bare the sole responsibility since they are the only party that knows the total cost of the dinner.

Scenario II – During the conference event, a provider hosts a hospitality room with complimentary snacks and beverages. The FCC provides clear explanation for conference-related questions pertaining to hospitality events that are sponsored by an organization and not one particular company. Guidance is unclear when the event is hosted by a specific service provider that is receiving recognition.

If the cost of attendance is unknown, it is necessary to provide accurate procedures for compliance.

Solution: When the host is a service provider, the host should provide documentation to the attendees stating the cost of various items. It will then be the attendees' responsibility to ensure their consumption remains within the \$20 gift limit.

Scenario III – Public School, library and agency personnel attend conferences throughout the year. A provider holds a drawing in which the prize covers the conference fee for next year.

If the value is over \$20, questions arise such as whether the attendee can accept the prize on behalf of the organization.

Solution: The attendee's organization should be allowed to accept the conference fees. The organization determines who will attend. While the conference fee is a small part of the expense related to attending a conference, it helps the organization afford to send one or more staff members to the event. The benefit to the organization is that it allows staff to keep abreast of technology issues and trends that will assist them in delivering technology solutions that have an impact on education.

Please provide DIS with further clarification and guidance regarding these matters.

If you have any questions, please do not hesitate to contact me via phone (501) 682-4003 or email Becky.Rains@Arkansas.gov.

Sincerely;
Becky Rains, PMP, AGM

Becky Rains, PMP

AR Department of Information Systems
Arkansas State E-rate Coordinator
Strategic Funding Program Manager